

**SCOTTSDALE TOURISM DEVELOPMENT COMMISSION  
CITY OF SCOTTSDALE  
PINNACLE CONFERENCE ROOM  
7575 EAST MAIN STREET  
SCOTTSDALE, ARIZONA  
SEPTEMBER 21, 2004  
MINUTES**

**PRESENT:** Tom Morrow, Chairman  
Ned Sickle, Vice Chairman  
Margaret Dunn, Commissioner  
Jerry Gleason, Commissioner  
John Holdsworth, Commissioner  
Sally Shaffer, Commissioner  
Gordon Zuckerman, Commissioner

**STAFF:** Kathy O'Connor  
Kathy Montalvo

**OTHERS PRESENT FOR ALL OR PORTIONS OF THE MEETING:**

Councilman Ecton  
Brent DeRaad  
Brad Gessner  
Karolyn Kiburz  
Travis Moss

**CALL TO ORDER**

Chairman Morrow called the regular meeting of the Scottsdale Tourism Development Commission to order at 9:00 a.m.

**ROLL CALL**

A formal roll call confirmed members present as stated above.

**APPROVAL OF MINUTES**

**A MOTION WAS MADE BY COMMISSIONER HOLDSWORTH TO APPROVE THE MINUTES OF THE AUGUST 17, 2004 MEETING AS PRESENTED. THE MOTION WAS SECONDED BY COMMISSIONER GLEASON AND PASSED UNANIMOUSLY.**

### **BED TAX COLLECTION & FINANCIAL REPORTS**

Ms. O'Connor explained the pro forma is the same document from August noting that nothing has changed. The Commission would receive the final pro forma with the fiscal year-end figures at the next meeting. She reported the bed tax numbers are up 20 percent and the total bed tax is up 16 percent from last year.

Commissioner Holdsworth asked what happens with the excess funds. Ms. O'Connor explained they have established a maximum budget by law. However, when there is a carryover balance, they do have some flexibility for making emergency proposals to the City Council. Commissioner Shaffer inquired where the overages go. Ms. O'Connor explained overages go into the general fund.

### **SCOTTSDALE CONVENTION & VISITORS BUREAU UPDATE**

Mr. DeRaad provided an update on what the CVB is working on. He distributed a copy of the Annual Report. The first annual meeting will be held this Friday. The Board of Directors Retreat is scheduled for this Thursday.

### **FY 2004/2005 MATCHING EVENT FUNDING ADVERTISING RECOMMENDATIONS**

Chairman Morrow requested the Commission discuss the matching advertising funding requests and makes recommendations to the Mayor and City Council.

Commissioner Holdsworth suggested the Commission hear the Dew Action Sports Tour request before we make the funding recommendations. If the Commission believes this event is worthy of funding, we would need to find a way to amicably and reasonably address the issue in the total amount of funding.

**COMMISSIONER HOLDSWORTH MOVED TO TABLE THE EVENT FUNDING RECOMMENDATIONS UNTIL AFTER THE COMMISSION HEARS THE REQUEST FOR THE DEW ACTION SPORTS TOUR. SECOND BY COMMISSIONER GLEASON AND PASSED UNANIMOUSLY.**

### **DEW ACTION SPORTS TOUR**

Mr. DeRaad provided an overview of the Dew Action Sports Tour. He explained that Scottsdale is among a number of US cities bidding to be a site for the Dew Action Sports Tour –a season-long, nationally-televised (NBC and a cable partner), competitive tour for skateboarding, BMX, and freestyle motocross.

He commented the AST will receive live NBC coverage and cable coverage. He further reported that WestWorld has submitted a proposal to Dew Action Sports Tour organizers to host the event May 11 – 15, 2005 and May 10 – 14, 2006.

He reported Action Sports Tour will receive:

- Facility waiver for portions of WestWorld
- Ticket and novelty revenue
- Event sponsorship revenue
- Potential of event advertising reimbursement from City's Tourism Development Commission of up to \$17,500 per year for 2005 and 2006.
- Event Promotion from Scottsdale CVB and Maricopa County Sports Commission.
- A block of 3,300 Scottsdale room nights, assembled by the Scottsdale CVB, to use for crew, athletes and sponsors.
- Creation and management of an event volunteer program.

He remarked it is important to convey that this is in no way a done deal.

Commissioner Gleason inquired about the demographics. Mr. DeRaad replied it is a younger demographic; in their early 20s. Commissioner Holdsworth inquired if the younger age group has the disposable income commensurate with Scottsdale's requirement. Mr. DeRaad replied that it does not approach the income of the folks that come during peak season, but during shoulder season we need to try and bring in additional business and room nights. The nightlife establishments would benefit from this age group. Mr. Gessner stated this type of event will attract families that would accompany a youngster that could not attend on their own.

Commissioner Zuckerman stated we have obviously seen the success of the X Games and the Gravity Games, inquiring if they have accumulated data on the economic impact. Mr. DeRaad replied that he did not have any of that information with him. He noted that he would be uncomfortable projecting the economic impacts. He further noted there would be a minimum of 50,000 people attending the event but he did not know how many would be local verses out-of-town.

Commissioner Shaffer inquired if the Commission was to fund this event and the event does not happen what happens to the funding. Ms. O'Connor explained that if the Commission were to commit the proposed \$17,500, those funds would be set aside if the event did not happen the funds would be available for use for something else.

Mr. DeRaad noted the proposal is for a two-year commitment. Chairman Morrow noted the Commission could not make a two-year agreement.

Commission Sickel inquired when AST was expected to make a decision. Mr. DeRaad replied he would guess in the next two to three weeks. Commissioner Sickel inquired if WestWorld was equipped to handle this event. Mr. Gessner replied in the affirmative. He stated it is the hope that this would be a long-term event.

Ms. O'Connor explained that if the Commission decided to fund AST, it would not go to the City Council with the event funding request package. The Commission is being

asked to make decisions on this as a separate item. Noting at this point, they are still a long way from having an agreement with AST.

Commissioner Dunn stated that she felt it was very important as they go to the table with negotiations to have a commitment from the TDC.

Commissioner Holdsworth stated he would agree with Commissioner Dunn that the Commission should support this event. He further stated that he would hate to see a good, new event with a great deal of potential go by the wayside. He added he would support a motion to fund this event.

Commissioner Gleason suggested funding this event from the proposed budget and if the event does not happen, they would use the funds to support other event(s). He further suggested the Commission first make decisions on the events that require further conversation. Then go down the list and approve the rest of the events. And if we have gone over the budgeted amount, they would fund the events whatever percentage less across the board to stay within the budget.

**COMMISSIONER HOLDSWORTH MOVED THE COMMISSION RETURN TO MATCHING EVENT FUNDING AGENDA ITEM. SECOND BY COMMISSION SHAFFER AND PASSED UNANIMOUSLY.**

**FY 2004/2005 MATCHING EVENT FUNDING ADVERTISING RECOMMENDATIONS**

Chairman Morrow requested the Commission discuss the Scottsdale Downtown ArtWalks.

**COMMISSIONER DUNN MOVED TO FUND THE SCOTTSDALE DOWNTOWN ARTWALK IN THE AMOUNT OF \$17,500. SECOND BY COMMISSIONER SHAFFER.**

Chairman Morrow stated that he was originally concerned the matching funds were from other city funds but was advised those funds were in fact private funds. He further stated that he was also concerned about the website being used because we cannot determine who looks at the website but even if we subtract that they are still within the criteria. He concluded he will support this request.

**CHAIRMAN MORROW CALLED FOR THE VOTE. THE MOTION PASSED UNANIMOUSLY.**

**COMMISSIONER SHAFFER MOVED TO NOT FUND THE NEW YEAR'S EVENT BLOCK PARTY. SECOND BY COMMISSIONER DUNN.**

Commissioner Holdsworth stated he did not believe it falls within the current criteria. He further stated that he believed the City should address a way that this type of event could be supported.

**CHAIRMAN MORROW CALLED FOR THE VOTE. THE MOTION PASSED UNANIMOUSLY.**

Commissioner Dunn commented that it saddened her that the Parada del Sol Parade and Rodeo does not meet the criteria because it is a fabulous community event. She further commented that she could not see justifying funding this event but would like to make a clear recommendation to the City Council to consider using General Funds to support this event.

**COMMISSIONER HOLDSWORTH MOVED TO FUND THE 2005 PARADA DEL SOL PARADE AND RODEO IN THE AMOUNT OF \$2,947 WITH THE REQUEST THAT THE MINUTES REFLECT THE REQUEST THAT THE CITY COUNCIL FIND AN APPROPRIATE WAY TO FUND THIS GREAT EVENT. SECOND BY COMMISSIONER SHAFFER AND PASSED UNANIMOUSLY.**

**COMMISSIONER DUNN MOVED TO FUND THE 2005 FIESTA CLUSTER DOG SHOW IN THE AMOUNT OF \$3,300. SECOND BY COMMISSIONER HOLDSWORTH AND PASSED UNANIMOUSLY.**

Commissioner Holdsworth stated originally the subcommittee recommended matching funds to promote the Franklin Templeton Men's Tennis classic. He inquired if the additional information warrants increasing the funding to \$17,500. Ms. O'Connor explained that the question posed in the study session was regarding whether the sponsors paid the ESPN coverage. The clarification given was that the sponsors did not.

**COMMISSIONER HOLDSWORTH MOVED TO FUND THE 2005 FRANKLIN TEMPLETON MEN'S TENNIS CLASSIC IN THE AMOUNT OF \$17,500. SECOND BY COMMISSIONER GLEASON.**

Commissioner Dunn stated that she struggles with this event because last year the event was funded in the amount of \$12,000 and she was not sure this event warranted the increased funding. Commissioner Holdsworth stated that he was concerned with being consistent in how the events are funded. He further stated that we accepted the revised proposal from the ArtWalk. Commissioner Dunn remarked that is a good point and we should be consistent. Commissioner Gleason noted from a legal perspective it is appropriate.

**CHAIRMAN MORROW CALLED FOR THE VOTE. THE MOTION PASSED UNANIMOUSLY.**

Chairman Morrow stated that he voted against the request for no funding on the New Year's Eve Block Party because they provided additional information so in that regard we are not being consistent. Commissioner Shaffer stated that she felt the additional information that was provided did not fit the criteria other than having one advertising outside of the city that did not fall within the key drivers. Chairman Morrow inquired if the advertising for this event met the drivers. Ms. O'Connor replied in her opinion it does not. The reason is the criteria were established very clearly to support the CVB marketing efforts in terms of the types of events that bed tax funds are used to support. Chairman Morrow commented that if it does not meet the drivers then the point he brought up is moot. Commissioner Shaffer stated that the subcommittee did not think it qualified.

Ms. O'Connor stated if the Commission is satisfied with the recommendations they have currently made another line item could be used to offset the \$4,000.

Commissioner Shaffer stated that she had to leave but is in support of the recommended funding for the rest of the events.

**COMMISSIONER DUNN MOVED TO FUND THE 2004 SCOTTSDALE CLASSIC FUTURITY HORSE SHOW IN THE AMOUNT OF \$6,317. SECOND BY COMMISSIONER HOLDSWORTH AND PASSED UNANIMOUSLY.**

**COMMISSIONER HOLDSWORTH MOVED TO FUND THE P.F. CHANG ROCK 'N ROLL MARATHON IN THE AMOUNT OF \$16,884. SECOND BY COMMISSIONER GLEASON AND PASSED UNANIMOUSLY.**

**COMMISSIONER DUNN MOVED TO FUND THE 2005 SUN COUNTRY CIRCUIT QUARTER HORSE SHOW IN THE AMOUNT OF \$17,148. SECOND BY COMMISSIONER SICKLE AND PASSED UNANIMOUSLY.**

**COMMISSIONER HOLDSWORTH MOVED TO FUND THE 2005 BARRETT JACKSON CLASSIC CAR AUCTION IN THE AMOUNT OF \$17,500. SECOND BY COMMISSIONER SICKLE AND PASSED UNANIMOUSLY.**

**COMMISSIONER SICKLE MOVED TO FUND THE 2005 ARABIAN HORSE SHOW IN THE AMOUNT OF \$17,500. SECOND BY COMMISSIONER DUNN AND PASSED UNANIMOUSLY.**

**COMMISSIONER HOLDSWORTH MOVED TO FUND THE 2005 FBR OPEN GOLF TOURNAMENT IN THE AMOUNT OF \$17,500. SECOND BY COMMISSIONER ZUCKERMAN AND PASSED UNANIMOUSLY.**

**COMMISSIONER HOLDSWORTH MOVED TO FUND THE 2005 FESTIVAL OF THE WEST IN THE AMOUNT OF \$17,464. SECOND BY COMMISSIONER ZUCKERMAN AND PASSED UNANIMOUSLY.**

**COMMISSIONER HOLDSWORTH MOVED TO FUND THE 2005  
SCOTTSDALE CULINARY FESTIVAL IN THE AMOUNT OF \$10,596.  
SECOND BY COMMISSIONER DUNN AND PASSED UNANIMOUSLY.**

**COMMISSIONER HOLDSWORTH MOVED TO FUND THE DEW ACTION  
SPORTS TOUR IN THE AMOUNT OF \$17,500. SECOND BY COMMISSIONER  
DUNN AND PASSED UNANIMOUSLY.**

Ms. O'Connor reiterated that the Dew Action Sports Tour funding request would not go to City Council until there is a contract in place.

#### **TDC RETREAT TENTATIVE AGENDA**

Ms. O'Connor requested the Commission review the proposed agenda for the retreat and email any suggestions.

#### **ADMINISTRATOR'S REPORT**

Ms. O'Connor discussed the highlights of the Smith Travel Report.

#### **UPCOMING EVENTS AND COMMISSION BUSINESS**

Chairman Morrow reported that he and Commissioner Holdsworth attended the City Council work session on Saturday. He further reported that he was pleasantly surprised to learn that it appears there is strong support to strengthen and enhance tourism. He noted that he and Ms. O'Connor are continuing to meet with City Council members' to educate them about the importance of tourism.

Ms. O'Connor reported the next regularly scheduled meeting would take place, Tuesday, October 19, 2004.

#### **ADJOURNMENT**

The meeting concluded at 10:25 a.m.

Respectfully submitted,

"For the Record" Court Reporters.